Patenting of Basmati Rice

661. SHRI P. PRABHAKAR REDDY: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that grant of patent of Basmati Rice to Texan Company Rice Tec Inc by the US Patent office in 1997 led to protests in the country;

(b) if so, whether any follow-up action has been taken by Government to build up a case for Basmati Rice;

(c) if so, the details thereof;

(d) what permanent steps are proposed to be taken to protect our Bio-diversity and prevent Bio-piracy; and

(e) whether any legislation in the matter is on the anvil; if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) to (c) The grant of patent to M/s. Rice Tec Inc., Texas, USA on Basmati Rice Lines and Grains by United States Patent Office has been viewed with concern in India.

However, patents are granted by respective Governments under their patent laws and rights thereunder are restricted to the territorial boundary of that country. Whenever information is received about patents being taken on certain products which are not considered patentable, steps are taken to assess whether grant of patent can be challenged. An exercise is going on to assess whether the grant of this patent can be challenged.

(d) and (e) In order to protect our biodiversity and prevent bio-piracy, a legislation on biodiversity, with the broad objectives of conservation, sustainable utilisation of biological diversity, and equitable sharing of benefits arising out of the use of biological resources, is being formulated by the Ministry of Environment and Forests.

Closure of Non-performing PSUs

662. SHRI J. CHITHARANJAN: SHRI GURUDAS DASGUPTA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government have decided to close down ten non-performing and non-functioning Public Sector Units;

(b) if so, which are these units and the number of workers estimated to be rendered unemployed; and

(c) the steps being taken to clear their wages and other statutory dues?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL): (a) to (c) The Board for Industrial and Financial Reconstruction (BIFR) has, at one stage or the other come to provisional/final conclusion that it would be just and equitable to wind up 8 Public Sector Undertakings (PSUs) under the Department of Heavy Industry namely Mining & Allied Machinery Corporation Ltd. (MAMC), National Bicycle Corporation of India Ltd. (NBCIL), Cycle Corporation of India Ltd. (CCIL), Bharat Opthalmic Glass Ltd. (BOGL), National Instruments Ltd. (NIL), Weighbird India Ltd. (WIL), Tannery & Footwear Corporation Ltd. (TAFCO) and Bharat Process & Mechanical Engineering Ltd. (BPME). BIFR is a quasi-judicial body. In the case of Rehabilitation Industries Corporation Ltd. (RIC), Disinvestment Commission has recommended discontinuance of operations. With a view to mitigate the hardship of employees, Government have taken a decision to introduce Voluntary Separation Scheme by extending benefits of VRS to employees in these unviable PSUs. Statutory Dues alongwith the VRS benefits will also be paid. Initially the scheme was introduced for 3 months. However, Government have decided to extend it by another 3 months the initial offer of Voluntary Separation Scheme

(VSS). A Group of Experts is being set up to review the possibilities of revival of atleast some of these units. The number of employees in these PSUs is around 11,000. A provision of Rs. 70.19 crores has been made in the 1998-99 budget for providing non-plan support to these enterprises.

Foreign Direct Investment in Cigarette Industry

663. SHRIMATI VEENA VERMA:
SHRI AKHILESH DAS:
SHRI RAJUBHAI A. PARMAR:

Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have further reviewed their move to allow 100 per cent Foreign Direct Investment (FDI) in Cigarette industry;

(b) if so, what are the major advantages to India's economy that go in favour of permitting such investment;

(c) how far it is likely to go against the interests of indigenous Beedi industry, especially the cottage industry and the workers engaged in it; and

(d) what decision has been taken in the matter?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) to (d) The existing guidelines for consideration of FDI proposals by FIPB do not stipulate any ceiling on the extent of foreign equity participation inter-alia in sectors pertaining to consumer non-durables, which include cigarettes. However, as there has been no precedent of 100% FDI approval in cigarettes so far, it was felt necessary to clarify the position vide Press Note No. 11 (1998 series) dated 27th August, 1998, that proposal for manufacture of cigarette with Foreign Investment Promotion Board (FIPB) subject to the provisions relating to compulsory licensing under the Industries (Development & Regulation) Act, 1951. This has been done with a view to lending greater transparency in decision making.

Beedis and cigarettes generally cater to different market segments as is evident from the Beedi industry already co-existing with a growing domestic cigarette industry. Beedi workers are not likely to be adversely affected with the induction of 100% foreign direct investment as it encourages competitiveness only in the cigarette sector.

Industrial Recession

664. SHRI AKHILESH DAS:
SHRIMATI VEENA VERMA:
SHRI RAJUBHAI A. PARMAR:

Will the Minister of INDUSTRY be pleased to state:

(a) whether industry continued to suffer from deep recession during the last three months;

(b) if so, the extent of recession in respect of each sector of industry;

(c) the comparative figures for the preceding three quarters; and

(d) the reasons for recession in each sector?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) to (d) The industrial growth during the current financial year 1998-99 for the period April-December is 3.5% as compared to 6.7% during April-December, 1997.

The industrial growth in the latest and preceding three quarters in different sectors is as follows: